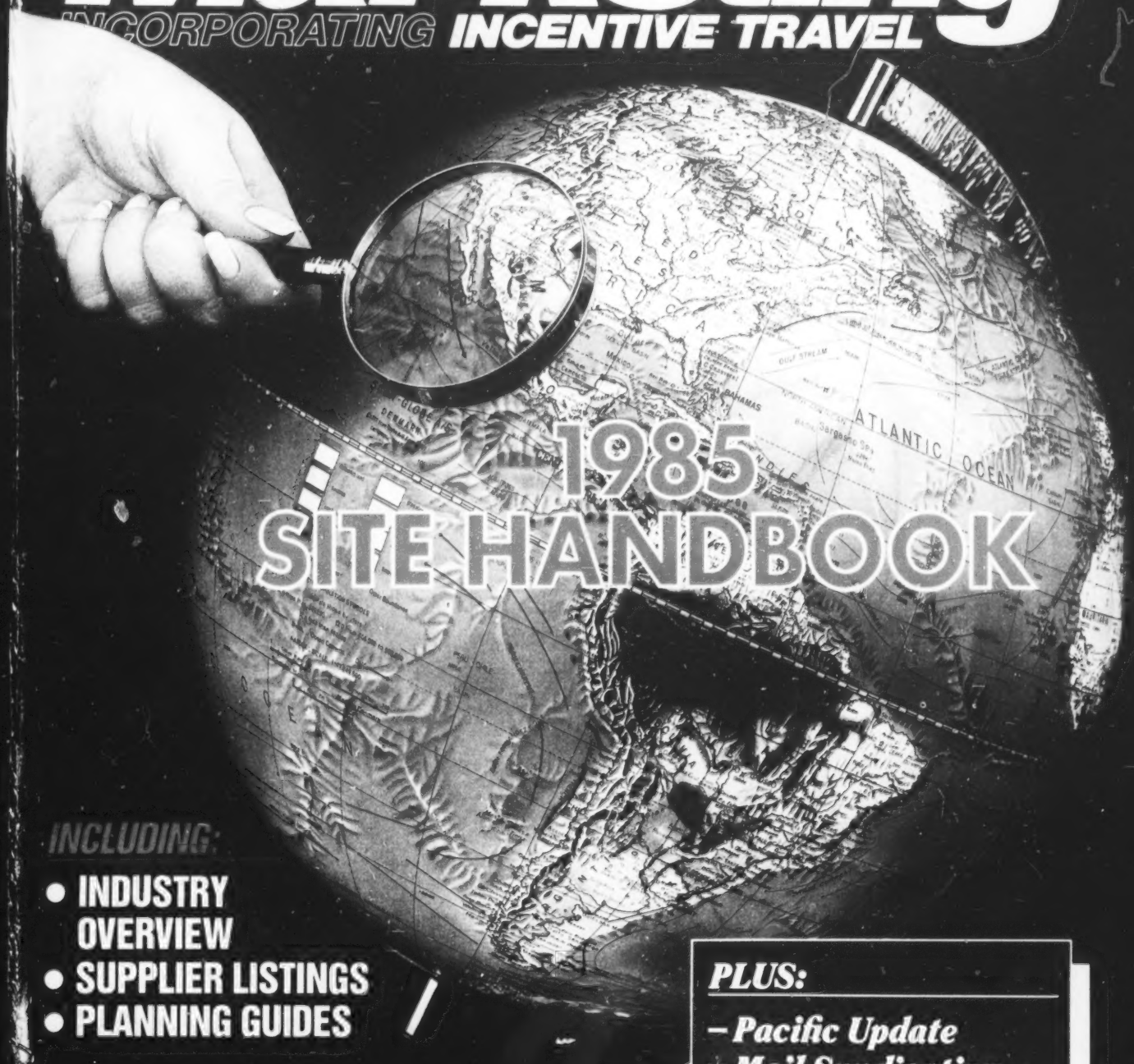
A BILL PUBLICATION

Incentive Marketing

INCORPORATING INCENTIVE TRAVEL

JANUARY 1985



1985 SITE HANDBOOK

INCLUDING:

- INDUSTRY OVERVIEW
- SUPPLIER LISTINGS
- PLANNING GUIDES

PLUS:

- *Pacific Update*
- *Mail Syndication*
- *Computer Marketing*

INCENTIVE MARKETING

MARKET REPORT
Computers

January 1985

Japan is just one of the many countries featured in the annual update of incentive travel destinations in the Pacific region. See page 21 for details.

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10 *IN THE NEWS—*
Sanger-Harris stores join forces with Coca-Cola for holiday promotion . . . Digital television sets may soon make an impact on the incentive market . . . The Statue of Liberty's October 1986 centennial should provide plenty of special event tie-in options for planners . . . Incentive groups can be used to fulfill countertrade agreements . . . S&H gets relief from FTC order.

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Computer equipment marketers recently have turned to incentives to combat shakeout.

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IM profiles the leading destinations of the Pacific region.

31 *1985 SITE HANDBOOK—*
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- Site selection.
- Worldwide hotel, ground operator, tourist board and visitor attraction listings.
- How trips go wrong.
- Hotel negotiations.
- Enrich your travel.
- Selling in, selling through.
- Tax considerations.

Bill publications and divisions: Automotive Chain Store, Incentive Marketing, Industrial Chemical News, Institutional Distribution, Jobber Retailer, Modern Tire Dealer, Plastics Technology, Restaurant Business, Restaurant & Hotel Design, Sales & Marketing Management, Successful Meetings, Foodservice Research Center, Market Statistics, Sales Builders, SM Data Bank.

group size: 600. Offer incent. merch. prgms. Years in business: 12.

ELITE TRAVEL CONCEPTS — 690 Market St., Ste. 920 San Francisco, California 94104, (415) 391-5165. *Contact:* Josephine Bailey Cooke, Acct. Exec. Optimum group size: 750. Years in business: 12.

EXECUTIVE INCENTIVE TRAVEL — 1727 Greeley Mall, Greeley, Colorado 80631, (303) 356-2464. *Contact:* Ron Thomas, Pres. Optimum group size: 500. Years in business: 8.

EXECUTIVE INCENTIVES & TRAVEL INC. — 632 S. Military Trail, Deerfield Beach, Florida 33441, (305) 426-9707, (800) 821-9444. *Contact:* Sue Ellen Allen, Dir. of Mktg. *Regions specializing in:* United States, Latin America, Europe. Optimum group size: 1000. Offer incent. merch. prgms. Years in business: 4.

FIND-US TRAVEL INC. — 11418A Kingston Pike, Knoxville, Tennessee 37922, (615) 966-4900. *Contact:* Mary Allan Mill, Exec. V.P. Mgr. *Regions specializing in:* United States, Caribbean, Europe. Optimum group size: 60. Offer incent. merch. prgms. Years in business: 3.

GTU INC. — 720 N. St. Asaph St., Alexandria, Virginia 22314, (703) 836-4888. *Contact:* John Broughan, Pres. *Regions specializing in:* United States, Europe, Asia, South Pacific. Offer incent. merch. prgms. Years in business: 25.

GELCO TRAVEL SERVICES — 1112 E. Copeland Rd., Ste. 200, Arlington, Texas 76011, (817) 461-9551, (800) 835-8980. *Contact:* Brenda McEachern, Supv., Grp. & Inc. Travel. *Regions specializing in:* United States, Mexico, Caribbean, Europe. Optimum group size: 500. Years in business: 3.

THE GETSCHAL COMPANY INC. — 123 Mason St., Greenwich, Connecticut 06830, (203) 629-2900. *Contact:* Budd Getschal, Pres. *Regions specializing in:* Europe, Caribbean, Mexico, United States, Asia. Optimum group size: 5000. Offer incent. merch. prgms. Years in business: 22.

GRAMERCY TRAVEL SYSTEM INC. — 444 Madison Ave., New York, New York 10022, (212) 753-7595, (800) 223-6490. *Contact:* Rita Lowenstein, V.P. Sales. Optimum group size: 1000. Offer incent. merch. prgms. Years in business: 15.

GROUP TRAVEL CONCEPTS — 1633 Broadway, New York, New York 10019, (212) 977-8666. *Contact:* Robert F. Smith, Pres. Optimum group size: 180. Years in business: 23.

GROUP TRAVEL COORDINATORS — 716 Gordon Baker Rd., Ste. 200, Willowdale, Ontario M2H 3B4, (416) 494-4695. *Contact:* Don Brommet, V.P. *Regions specializing in:* United States, Mexico, Caribbean, Europe, Asia. Optimum group size: 500. Offer incent. merch. prgms. Years in business: 8.

GROUP TRAVEL INTERNATIONAL — 62 Rte. 10, E. Hanover, New Jersey 07936, (201) 884-9000. *Contact:* Steven E. Some, V.P. of Sales. *Regions specializing in:* Europe, Asia, Latin America, Mexico, Caribbean. Optimum group size: 2100. Years in business: 25.

HERITAGE MEETINGS & INCENTIVES — 238 Main St., Cambridge, Massachusetts 02142, (617) 491-0050. *Contact:* Elizabeth P. Phinney, Dir. of Mtg. & Inc. Planning. Years in business: 3.

HERTZ CORPORATION—700 N. Fairfax St., Ste. 410, Alexandria, VA 22314, (703) 683-5333, (800) 336-2496. *Contact:* Barbara R. Klein, Natl. Sales Mgr., Conv. & Mtgs. Car Rentals.

HOTEL & RESORT CONSULTANTS — 1958 Main St., Sarasota, Florida 33577, (813) 366-7911, (800) 237-1219. *Contact:* Patricia H. Janssens, Sr. Account Exec. *Regions specializing in:* United States, Caribbean, Europe, Asia. Optimum group size: 3000. Offer incent. merch. prgms. Years in business: 7.

I.D. TOURS SOUTH PACIFIC — 8421 Wilshire Blvd., Ste. 206, Los Angeles, California 90211, (213) 655-2144. *Contact:* Barbara Blackwell, Mgr. North America. *Regions specializing in:* South Pacific. Optimum group size: 2000.

ITA INC. — 1601 22nd St., West Des Moines, Iowa 50265, (515) 225-3500, (800) 247-4130. *Contact:* Pete Nottingham, V.P. Sales. *Regions specializing in:* United States, Europe. Optimum group size: 5000. Offer incent. merch. prgms. Years in business: 20.

INCENCO INTERNATIONAL — 1806 Jaybee Rd., Wilmington, Delaware 19803, (302) 478-8400. *Contact:* Jyotsna Patel, Owner. Optimum group size: 300.

INCENTIVE & GROUP TRAVEL INC. — 1100 Louisiana St., Ste. 2690, Houston, Texas 77098, (713) 655-0118. *Contact:* Mary Woodson, Pres. Optimum group size: 100. Offer incent. merch. prgms. Years in business: 2.

INCENTIVE JOURNEY CONSULTANTS — 19111 W. Ten Mile Rd., Ste. A3, Southfield, Michigan 48075, (313) 352-5510. *Contact:* Bob Brickner, Exec. Dir. *Regions specializing in:* Canada, Mexico, Caribbean. Optimum group size: 300. Offer incent. merch. prgms. Years in business: 6.

INCENTIVE & MEETING CONSULTANTS — Lawrence Shopping Ctr., Lawrenceville, New Jersey 08648, (609) 883-5905, (800) 257-9511. *Contact:* Elinor M. Maurer, V.P. Sales. *Regions specializing in:* Caribbean. Optimum group size: 200. Offer incent. merch. prgms. Years in business: 5.

INCENTIVE MEETING DESIGNERS — 21755 Contado Rd., Boca Raton, Florida 33433, (305) 392-7674. *Contact:* Milton Adler, Pres. Years in business: 2.

INCENTIVE TRAVEL CORP. — 213 W. Institute Pl., Chicago, Illinois 60610, (312) 649-0073. *Contact:* James Feldman, Pres. *Regions specializing in:* Mexico, Caribbean, Europe. Optimum group size: 250. Offer incent. merch. prgms. Years in business: 7.

INCENTIVE WORLD — 17802 Irvine Blvd., Ste. 101, Tustin, California 92680, (714) 832-4322. *Contact:* Gayle S. Beehler, V.P. Offer incent. merch. prgms. Years in business: 7.

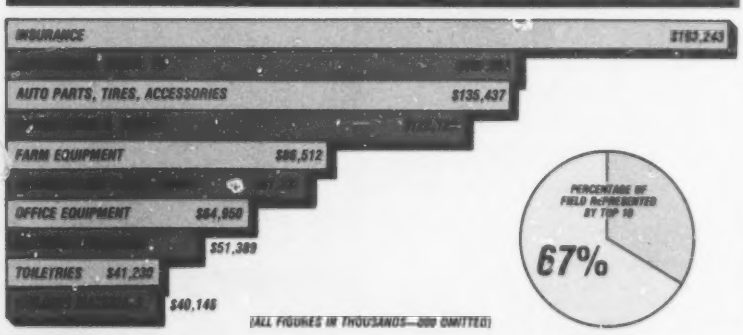
INTERNATIONAL MEETING PLANNERS — 250 Mercer St., New York, New York 10012, (212) 477-4122. *Contact:* Audrey Bird, Pres. Optimum group size: 300. Years in business: 6.

INTERNATIONAL MEETINGS & INCENTIVES INC. — 133 E. 58th St., New York, New York 10022, (212) 223-1610, (800) 223-2551. *Contact:* Brian Pollack, Pres. *Regions specializing in:* Latin America, Europe, United States. Years in business: 4.

IN-TRA-PROMO INC. — 22 W. 23rd St., New York, New York 10010, (212) 807-0760. *Contact:* Frederic Alcalay, Pres. Optimum group size: 280. Years in business: 8.

JNR INCORPORATED — 4040 MacArthur Blvd., Ste. 300, Newport Beach, California 92660, (714) 476-2788, (800) 343-4546. *Contact:* James G. Jalet III, Pres. *Regions specializing in:* United States, Europe, Asia. Optimum group size: 5000. Offer incent. merch. prgms. Years in business: 5.

TOP 10 INCENTIVE TRAVEL USERS (1984)



NORWEGIAN FJORD & MOUNTAIN HOTELS Mesna Senter, Lilletorget, I, Lillehammer, Norway 2600, 062-57266. *Contact:* Wolfgang Muller, Managing Dir. Incentive promo material. Rate guarantee in months: 6.

OMNI/DUNFEY HOTELS — 122 E. 42d St., New York, New York 10168, (212) 557-1090. *Contact:* John Kavanagh, Dir. of Sales.

OUTRIGGER HOTELS HAWAII — 2335 Kalakaua Ave., Honolulu, Hawaii 96815, (808) 923-0711, (800) 367-5170. *Contact:* Cecilia Piper, Inc. & Corp. Sales Mgr. Rate guarantee in months: 12.

THE PENINSULA GROUP — 33 N. Michigan Ave., Chicago, Illinois 60601, (312) 263-6069. *Contact:* Gloria Flowers, Reg. Sales Mgr.

PENTA HOTELS INC. — 516 Fifth Ave., New York, New York 10036, (212) 382-2960, (800) 225-3456. *Contact:* Pierre Meslin, Sales Mgr. Incentive promo material. Rate guarantee in months: 6.

THE POINTE RESORTS - 7677 N. 16th St., Phoenix, AZ 85020, (602) 997-7777, (800) 528-0428. *Contact:* Bob Brooks, V.P. Mktg.

POSADAS DE MEXICO — 4099 McEwen, Ste. 800, Dallas, Texas 75234, (214) 386-9801. *Contact:* Judy Schmidt, Adv. Mgr. Incentive promo material. Rate guarantee in months: 3.

PRINCESS HOTELS INTERNATIONAL — 805 Third Ave., New York, New York 10022, (212) 715-7000, (800) 223-1818. *Contact:* Scott Zimmerman, Dir. of Inc. Sales. Incentive promo material. Rate guarantee in months: 6.

RANK HOTELS SALES LTD. — 444 Madison Ave., New York, New York 10022, (212) 421-2353, (800) 223-5560. *Contact:* Aldo Marsili, Natl. Sales Mgr. Incentive promo material. Rate guarantee in months: 24.

REGENT INTERNATIONAL HOTELS — 181 E. Lake Shore Dr., Chicago, Illinois 60611, (312) 787-8500. *Contact:* Rosann Valentini, Dir. of Inc. Sales. Incentive promo material. Rate guarantee in months: 18 to 24.

ROBERT REID ASSOCIATES, HOTELS OF DISTINCTION — 845 Third Ave., New York, New York 10022, (212) 832-2277, (800) 223-6100. *Contact:* Ralph J. Sansaricq, Grp. Sales Mgr.

RESORTS INTERNATIONAL — 915 N.E. 125th St., N. Miami, Florida 33181, (305) 891-2909. *Contact:* Brian Cassidy, Natl. Sales Mgr.

THE RITZ-CARLTON HOTEL CO. — 3414 Peachtree Rd. N.E., Atlanta, Georgia 30326, (404) 237-5500, (800) 241-3333. *Contact:* Ian Lloyd-Jones, V.P. Sales.

ROCKRESORTS INC. — 30 Rockefeller Plaza, Rm. 5400, New York, New York 10112, (212) 765-5950. *Contact:* Michael Neary, Dir. of Sales. Incentive promo material. Rate guarantee in months: 12.

SAS INTERNATIONAL HOTELS—Dicks Vei 2, Oslo, Lysaker, Norway N-1324, *Contact:* Victor Rydgren, Dir. of Sales. Incentive promo material.

SAS INTERNATIONAL HOTELS U.S. OFFICE 138-02 Queens Blvd., Jamaica, New York 11435, (718) 657-7700. *Contact:* John Harrison, Spec. Mkt. Mgr.

SANDPIPER RESORTS — 5608 Gulf Blvd., St. Petersburg Beach, Florida 33706, (813) 360-2731, (800) 237-0707. *Contact:* Patsy Gregory, Dir. of Sales/Corp. Devel. Rate guarantee in months: 12.

SHANGRI-LA INTERNATIONAL HOTELS — 1801 Ave. of the Stars,Ste.404, Los Angeles, California 90067, (213) 551-1121, (800) 457-5050. *Contact:* Jean Rosano, Dir. of Mktg., N. America. Incentive promo material. Rate guarantee in months: 18.

THE SHERATON CORP. — 35 E. Wacker Dr., Ste. 1138, Chicago, Illinois 60601, (312) 263-4607. *Contact:* Ginger O'Malley, Dir. of Inc. Sales.

THE SHERATON CORP. INTL. SALES OFFICE 5501 LBJ Freeway, Dallas, Texas 75050, (214) 980-4934. *Contact:* Juli Lowry, Intl. Dir. of Sales. Incentive promo material. Rate guarantee in months: 12.

SHERATON CORP.-LATIN AMERICA — 701 S.W. 27th Ave., Miami, Florida 33135, (305) 642-9971.

SHERATON CORP. REGIONAL SALES OFFICE (c/o Hotel Maria Isabel Sheraton) — Paseo de la Reforma #325, Mexico D.F., 06500, 905/211 00 01., (800) 325-3535. *Contact:* Karin Goyer, Reg. Dir. of Sales. Incentive promo material. Rate guarantee in months: 24.

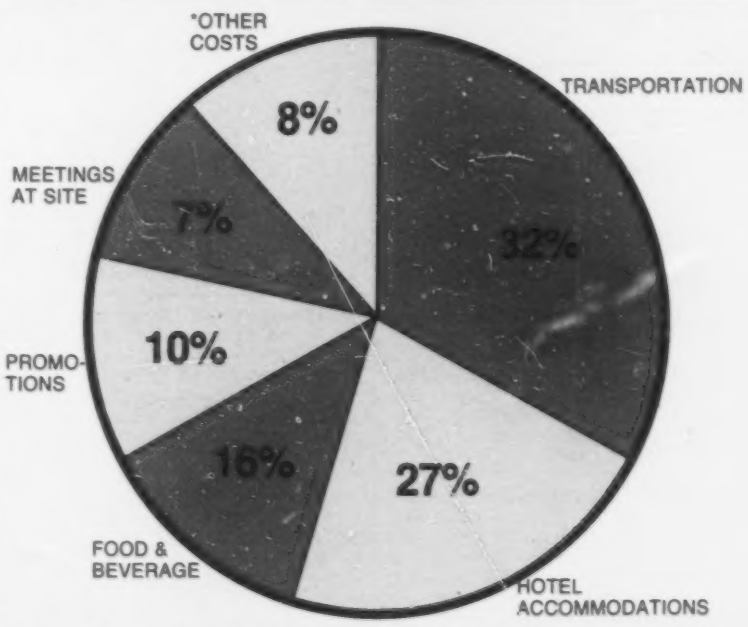
SONESTA INTERNATIONAL HOTELS CORP. 200 Clarendon St., Boston, Massachusetts 02116, (617) 421-5400, (800) 343-7170. *Contact:* Deborah Long Sexton, V.P. Reg. Sales. Incentive promo material. Rate guarantee in months: 12.

SOUTHERN PACIFIC HOTEL CORP. — 1901 Ave. of the Stars, #880, Los Angeles, California 90067, (213) 557-2292, (800) 421-0536. *Contact:* Jane LePorte, Sales Mgr., USA. Incentive promo material. Rate guarantee in months: 24.

SOUTHERN SUN HOTELS — 777 Third Ave., New York, New York 10017, (212) 751-5450, (800) 782-7802. *Contact:* Debbie Urquhart, Dir. of Sales. Incentive promo material. Rate guarantee in months: 24.

STOUFFER HOTELS — 19 W. 44th. St. #514, New York, New York 10036, (212) 944-7350. *Contact:* Rick Reading, Corp. Dir. of Travel Ind. Sale. Incentive promo material. Rate guarantee in months: 12.

WHERE THE TRAVEL BUDGET GOES



*INCLUDES GROUND TRANSPORTATION, SIDE TRIPS, TOURS, INSURANCE, ENTERTAINMENT, ETC.

Incentive Travel Overview

Despite the romance of travel, brass tacks business is behind most programs.

Incentive travel programs exist to achieve a variety of specific sales and marketing objectives. Because experienced planners differ on cost and result measurements, **Incentive Marketing** annually surveys thousands of incentive travel users to arrive at a meaningful consensus. The following highlights have been extracted from our 1984 survey of key decision-making sales and marketing executives who purchase incentive travel:

- **Objectives.** Increased sales is the No. 1 objective, cited by 81 percent of survey respondents. More specific goals lag far behind; introduction of new products ranks second as the goal of 31 percent of respondents. Offsetting competition was targeted by 20 percent in the latest survey, and 19 percent of respondents aimed to move the full line or to stress special items. (Figures add up to over 100 percent because of multiple responses.)

- **Results.** Survey respondents reported that sales gains resulting from incentive travel programs averaged 17.7 percent. Respondents noted 14-percent sales gains in 1983 and 12 percent in 1982.

- **Budgets.** About 58 percent of the executives in the 1984 survey based their budgets on quotas set in the sales forecast, with 71 percent employing an open-ended program that permits all who qualify to win.

A minority of 33 percent of respondents set the budget first and then established sales quotas to cover costs. Twenty-nine percent established a predetermined number of winners.

- **What portion of the sales increase funds the incentive travel**

Companies are spending increasing amounts to entertain their top performers, with incentive use up 17.5 percent in 1984.

program? In 1984's survey, an average of about 11 percent of incremental sales was invested to cover program costs. However, a significant 49 percent of respondents could not say how they budget incentive travel expenditures.

• **Measuring results.** The favorite measurement in the 1984 survey was based on total units or dollars sold, preferred by 59 percent of respondents. The next favorite evaluation is based on the percentage of participants reaching their goals or quotas, a method selected by 38 percent. Twenty percent judge results by profit on incremental sales; 19 percent use market share measures, and 12 percent look at branch or district performance.

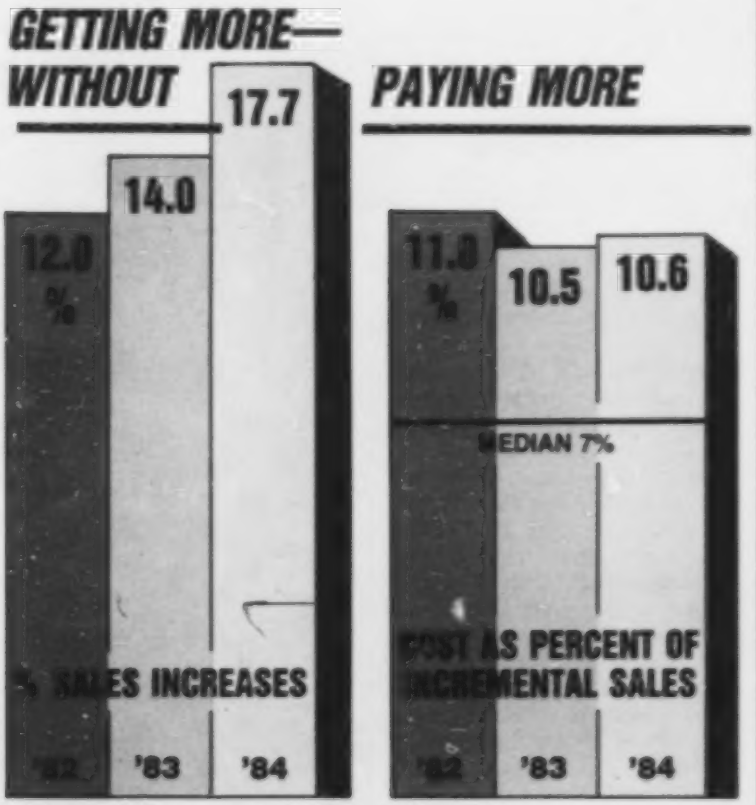
• **How much to spend?** The median per-person expenditure in the latest survey was $1,200, up 20 percent from the previous year. Only 10 percent of respondents spend less than $1,000 per couple on incentive travel, and only 30 percent stayed below $2,000. The percentage of companies offering group trips remains high, at 72 percent, but has declined from the 79 percent reported in 1982. The remainder provide individual travel programs.

• **Where does the money go?**

According to the 1984 survey, respondents spent an average of 32 percent on transportation; 27 percent on hotel accommodations; 16 percent on food and beverage; 10 percent on promotional support; 8 percent on ground transportation, side trips, entertainment and insurance; and 7 percent on on-site meetings.

• **How much does U.S. industry spend on incentive travel?** The 1984 FACTs survey, published in **IM's** December 1984 issue, estimated that U.S. companies spent a total of $1.4 billion on incentive travel last year, a 17.5-percent gain from the $1.2 billion reported in 1983. In 1984, companies spent roughly the same on sales incentive programs as they did on dealer and distributor programs.

• **How do companies make travel arrangements?** Despite the important role played by incentive travel firms, only 23 percent of 1984 respondents said they used such companies to make trip arrangements. This figure has shown little increase over the last few years. In the latest survey, 42 percent made arrangements through local travel agencies, 32 percent used in-house staff and 16 percent dealt directly with suppliers. (The survey total exceeds 100 percent because of multiple responses.) ■



ALL FIGURES REPRESENT AVERAGES IN IM SURVEYS